

HUD 92452

Project No.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

PERFORMANCE BOND-DUAL OBLIGEE

CONTRACTOR /PRINCIPAL (Name and Address):

OWNER /OBLIGEE (Name and Address):

LENDER/OBLIGEE (Name and Address):

SURETY (Name and Principal Place of Business):

CONSTRUCTION CONTRACT:

Date:

Amount:

Project: (Name and Location)

BOND:

Date:

Amount:

RIDERS TO THIS BOND: ____ Yes ____ No

1. Contractor has entered into a construction contract with Owner/Obligee (hereinafter “Owner”) for the construction of the above-named Project, a copy of which construction

contract is by reference made a part hereof, and is hereinafter referred to as the
“Contract.”

2. Lender/Obligee (hereinafter “Lender”) has agreed to lend to Owner a sum of money to be secured by a mortgage on said project and to be used in making payments under said Contract, and desires protection as its interests may appear, in event of default by Contractor under the Contract.

3. Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns, unto Owner and unto Lender, its successors and assigns, as their respective interests may appear, as OBLIGEES, in the sum of
_____ Dollars (\$ _____), lawful money
of the United States of America, for the performance of the Contract.

4. The condition of this obligation is such that, if Contractor shall well and truly perform all the undertakings, covenants, terms conditions and agreements of the Contract on its part, and fully indemnify and save harmless Obligees from all cost and damage which they may suffer by reason of failure to do so, and fully reimburse and repay Obligees all outlay and expense which Obligees may incur in making good any such default, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

5. The Surety shall not be liable under this Bond to the Obligees, or either of them, unless the said Obligees, or either of them, shall make payments to the Contractor in accordance with the terms of the Contract as to payments, and shall perform all the other obligations to be performed under the Contract at the time and in the manner therein set forth. However, the Surety shall not assert a failure by the Obligees, or any of them, to make payments or perform obligations under said Contract unless each of the Obligees

has been given written notice by the Surety of any such failure and fifteen (15) days, from receipt of said notice, opportunity to cure.

6. Surety agrees that any right of action that either of Obligees herein may have under this Bond may be assigned to the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, and that such assignment will in no manner invalidate or qualify this instrument.

7. The aggregate liability of Surety hereunder to the Obligees or their assigns is limited to the penal sum above stated, and Surety, upon making any payment hereunder, shall be subrogated to, and shall be entitled to an assignment of, all rights of the payee, either against Contractor or against any other party liable to the payee in connection with the loss which is the subject of the payment.

8. Any suit, action or proceeding by reason of any default whatever shall be instituted within two years of the date the Owner declares the Contractor in default of the Contract. If this limitation is deemed to be in contravention of any controlling law, this Bond is deemed amended so as to be equal to the minimum period of limitation permitted by such law.

9. The prior written approval of Surety shall not be required with regard to any change, including changes of time, to the Contract or to related subcontracts.

10. Notice to the Surety, Owner, or Contractor shall be served by mailing the same by registered mail or certified mail, postage prepaid, to the address shown on this Bond.

SIGNED and SEALED THIS _____ day of _____, 20__.

Witness as to Contractor:

(Contractor)

(Surety)

ADDITIONAL OBLIGEE RIDER

1. This Additional Obligee Rider is attached to and made a part of that certain Performance Bond-Dual Obligee (the "Performance Bond"), dated _____, executed and delivered by _____, a(n) _____ corporation, as Contractor, and _____, as Surety, in favor of Owner and Lender, in the sum of _____ (\$_____) with respect to the construction of the Project.
2. All of the terms, conditions and provisions of the Performance Bond are hereby incorporated herein by this reference as if fully set forth herein.
3. All defined terms as set forth in the Performance Bond shall have the same meaning herein.
4. _____ is hereby added to the Bond as a named Obligee.
5. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Performance Bond, including especially but without limitation, the aggregate liability of the Surety as described in paragraph 3 of the Performance Bond.

Signed and sealed this _____ day of _____, 20__.

Witness as to Contractor:

(Contractor)

(Surety)

ADDITIONAL SURETY RIDER

1. This Additional Surety Rider is attached to and made a part of that certain Performance Bond-Dual Obligee (the "Performance Bond"), dated _____, executed and delivered by _____, a(n) _____ corporation, as Contractor, and _____, as Surety, in favor of Owner and Lender, in the sum of _____ (\$_____) with respect to the construction of the Project.
2. All of the terms, conditions and provisions of the Performance Bond are hereby incorporated herein by this reference as if fully set forth herein.
3. All defined terms as set forth in the Performance Bond shall have the same meaning herein
4. _____ is hereby added to the Performance Bond as an additional named surety.
5. Each surety and additional surety (hereinafter collectively called "Surety") is held and firmly bound, jointly and severally, onto Obligees. Further, each undersigned Surety binds itself in the aforesaid full sum, "jointly and severally," as well as "severally" for the purpose of allowing joint action or singular actions against any or all of them in the full amount of this Bond and for all other purposes each Surety binds itself, jointly and severally with the Contractor, for the payment of the full sums above stated.
6. Nothing herein shall alter or affect any of the terms, conditions and other provisions of the Performance Bond, including especially but without limitation, the aggregate liability of the Surety as described in paragraph 3 of the Performance Bond.

SIGNED AND SEALED this _____ day of _____, 20__.

Witness as to Contractor:

(Contractor)

(Surety)